CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM BOARD OF ADMINISTRATION HEALTH BENEFITS COMMITTEE MEETING MINUTES

April 12, 2011

The Health Benefits Committee met on Tuesday, April 12, 2011, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 9:50 a.m. with the following members present:

Priya Mathur, Chair
JJ Jelincic, Vice Chair
Ruth Holton-Hodson representing John Chiang
George Diehr
Rob Feckner
Henry Jones
Tricia Wynne representing Bill Lockyer
Tony Oliviera
Howard Schwartz representing Ronald Yank

AGENDA ITEM 2 – APPROVAL OF THE MARCH 15, 2011, HEALTH BENEFITS COMMITTEE MEETING MINUTES

The March 15, 2011, Health Benefits Committee meeting minutes were approved as presented.

AGENDA ITEM 3a - LONG-TERM CARE PROGRAM REQUEST FOR PROPOSAL

Kathy Donneson, Chief, Health Plan Administration Division, provided information on the evaluation and scoring of the Long-Term Care Program Request for Proposal.

On **MOTION** by Tricia Wynne, **SECONDED** and **CARRIED**, the Committee recommended the Board approve the Long-Term Care Request for Proposal scoring point allocation to reflect forty percent to technical evaluation and on-site visits; thirty percent to financial evaluation; and, the remaining thirty percent to the Health Benefits Committee interviews.

Steve Kawai, retiree, spoke on this item.

AGENDA ITEM 4a – SELF-FUNDED HEALTH PLANS 2010 YEAR-END FINANCIAL REPORT

As an information item, Gary McCollum, Actuarial and Employer Services Branch, provided an update on the financial status of the six CalPERS self-funded Preferred Provider Organization health plans for the calendar year ending December 31, 2010. The overall financial position of the self-funded health plans remains stable. The ongoing financial results for the program assets are positive, providing assurance that the rates approved by the Board for the 2010 plan year were sufficient to fund benefits and to maintain adequate reserves.

AGENDA ITEM 5a – HEALTH PLAN CONTRACT INNOVATIONS (PILOTS) AND DATA ANALYSIS PROJECTS UPDATE

As an information item, Kathy Donneson, Chief, Health Plan Administration Division, provided an update on current initiatives and pilot projects that the Health Benefits Branch are participating in. CalPERS participates in health plan contract innovations and receives external requests for analysis of the Health Care Decision Support System data from various sources, including Health Benefits Committee members, academic institutions, nonprofit organizations, and employer organizations. There are currently twelve projects.

AGENDA ITEM 6 - ASSISTANT EXECUTIVE OFFICER REPORT

Kathleen Billingsley, Assistant Executive Officer, Health Policy and Planning, provided information on Medicare Part D reconciliation, the Early Retirement Reimbursement Program, and CalPERS tour of Kaiser Permanente's Garfield Innovation Center.

AGENDA ITEM 7 – PROPOSED AGENDA FOR MAY 17, 2011, HEALTH BENEFITS COMMITTEE MEETING

The proposed agenda for the May 17, 2011, HBC Meeting, was accepted as presented.

AGENDA ITEM 8 – PUBLIC COMMENT

There was no public comment.

The meeting was adjourned at 10:27 a.m.

The next meeting of the Committee is scheduled for May 17, 2011, in Sacramento, California

ANN BOYNTON
Deputy Executive Officer
Benefits Administration